

PRIVATE AND CONFIDENTIAL

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Member No: [XXXXXX]

www.civilservicepensionscheme.org.uk

Date:

Dear [Title] [Surname]

Value of your Civil Service Pension benefits for Lifetime Allowance purposes

The Lifetime Allowance (LTA) is the limit on the amount of pension benefit(s) that you can take from all your registered pension arrangements. The value of your benefits is assessed as and when you bring your benefits into payment. You can find helpful information about LTA on the **Lifetime Allowance (LTA) page** at www.civilservicepensionscheme.org.uk.

Important information about your LTA

You've received this letter as our records show that the value of your Civil Service pension benefits exceeded, or came close to, the 2022/23 standard LTA of £1,073,100.

We've calculated that on **31 March 2023** the value of your Civil Service pension benefits was approximately [LTA%] of the £1,073,100 LTA. If you retire from the scheme before 6 April 2024, a further LTA check will be undertaken, as the value of your benefits and the standard LTA amount are likely to change.

Protection available to you

There are two types of LTA protection you can apply for. They are:

- Fixed Protection 2016 (FP2016); and
- Individual Protection 2016 (IP2016).

Please note: If you've previously applied for either protection, there is no need to apply again.



More information about LTA protections and how to apply for them can be found on the **Protect your pension lifetime allowance page** at www.gov.uk.

LTA from April 2024

From 6 April 2024, the LTA will be abolished and replaced by two new allowances:

- Lump Sum Allowance (LSA) and
- Lump Sum and Death Benefit Allowance (LSDBA).

The Lump Sum Allowance (LSA) is a limit on the amount of tax-free money you can take as a lump sum from your pension. The maximum limit is £268,275, which is 25% of the Lifetime Allowance set at £1,073,100 before 6 April 2024. This limit includes any lump sums you have taken from other pensions.

The Lump Sum and Death Benefit Allowance (LSDBA) is a limit on the amount of tax-free money paid out during your lifetime or when you die. The standard LSDBA is £1,073,100.

If you have Lifetime Allowance protection, your LSA and LSDBA will be based on the amount protected.

More information about changes to the LTA can be found at www.gov.uk.

Next steps

If you need more information about your Civil Service pension benefits, please contact us using the details at the top of this letter.

If you have a pension tax issue, please contact either HMRC (His Majesty's Revenue & Customs) or a registered financial adviser.

Yours sincerely

Laura Best
Scheme Events
For and on behalf of Civil Service Pensions